

Aegon Alfa Absolute Return Investment Fund USD series

GENERAL INFORMATION

| | |
|------------------------------------------|---------------------------------|
| Fund Manager: | AEGON Hungary Fund Manager Ltd. |
| Custodian: | Unicredit Bank Hungary Zrt. |
| Main distributor: | AEGON Hungary Fund Manager Ltd. |
| Benchmark composition: | 100% RMAX Index |
| ISIN code: | HU0000715990 |
| Start: | 03/17/2016 |
| Currency: | USD |
| Total Net Asset Value of the whole Fund: | 40,660,481,871 HUF |
| Net Asset Value of USD series: | 4,891,597 USD |
| Net Asset Value per unit: | 1.197847 USD |

INVESTMENT POLICY OF THE FUND:

The aim of the fund is to achieve a substantial yield for investors by taking high risks and making active use of derivative positions. The fund is decidedly high-risk, particularly due to the derivative positions it takes. The fund is willing to buy or sell all available investment instruments - domestic and foreign bonds, equities and other securities, indexes and currencies - provided it sees the opportunity to make substantial gains. In this respect the fund belongs in the category of opportunistic funds that pursue a multi-strategy investment approach. Within the multi-strategy approach pursued by the fund, 'global macro', 'long-short equity', 'convertible bond arbitrage' and 'managed futures'-type transactions dominate. In terms of asset class, the fund's investments can be divided into three main groups: it takes on extra risk in the bond, currency and equity markets, and in these markets it is prepared to take up both long and short positions within the maximum limits permitted by law, which currently allow double leverage for funds of this type. In its investment decision-making mechanism the fund assesses fundamental, pricing, technical and behavioural/psychological factors. The fund management company, exercising all due care, based on its own judgement and decisions, and while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation, determines the means of utilising the fund's resources, and the weights of the various investments within the portfolio, with a view to ensuring that the fund - in line with our expectations with regard to future risks and returns - achieves its objective in the long term. To ensure liquidity the fund aims to hold government securities issued by the State Debt Management Centre (AKK) on behalf of the State of Hungary.

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., Budapest Hitel-és Fejlesztési Bank Zrt., CIB Bank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE SERIES:

| Interval | Yield of note | Benchmark yield |
|------------|---------------|-----------------|
| From start | 3.65 % | 0.45 % |
| 2020 | 1.65 % | 0.41 % |
| 2019 | 9.74 % | 0.23 % |
| 2018 | -1.66 % | 0.31 % |
| 2017 | 3.93 % | 0.20 % |

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 04/01/2020 - 03/31/2021



— Aegon Alfa Absolute Return Investment Fund USD series — Benchmark

Past performance is no guarantee of future results. This report should not be considered as an offer or investment advisory. The Fund Prospectus contains the detailed conditions of the investment. The distribution costs of the fund purchase can be found at the distributors.

RISK INDICATORS FOR THE LAST 12 MONTHS:

| | |
|-----------------------------------------------------------------|------------|
| Annualized standard deviation of the fund's weekly yields: | 8.98 % |
| Annualized standard deviation of the benchmark's weekly yields: | 0.43 % |
| WAM (Weighted Average Maturity): | 1.29 years |
| WAL (Weighted Average Life): | 1.47 years |

TOP 3 POSITIONS

| Asset | Type | Counterparty / issuer | Maturity |
|------------------------------|------------------|--------------------------------------|---------------|
| Graphisoft Park SE | share | Graphisoft N. V. (HU) | |
| Magyar Államkötvény 2023C | interest-bearing | Államadósság Kezelő Központ Zrt (HU) | 2023. 08. 23. |
| US 10YR NOTE (CBT)Jun21 Sell | derivativ | Raiffeisen Hun (HU) | 2021. 06. 21. |

MARKET SUMMARY:

Although the major stock indices closed at new all-time highs by the end of the month, the markets were volatile in March. U.S. long-term yields hit a 2-year high, to which stock markets reacted with fierce price movements. At first, investors reallocated from the growth sector to the value-based sector because of the rate rise, but when interest rates fell slightly, money flowed back into the growth sector again. It didn't help the investment environment that after the March the FOMC decision, the Fed president could not reassure the markets. Powell has finally stated that the central bank will not raise interest rates until at least 2023, but has not been able to give a meaningful answer as to what they will do if inflation is significantly higher than the forecast. Although the virus is still not under control in Europe, economic data show that the light is already visible at the end of the tunnel. The Manufacturing Purchasing Managers' Index jumped to an all-time high of 62.4 from a previous month's 57.9 and an expected 57.6. The key interest rate and the asset purchase program were not changed by the ECB at the interest rate decision meeting, and it was heavily emphasized, that they would not intervene during a temporary rise of inflation. Although the economies of China and other Asian countries may already be behind the crisis caused by the corona virus, it seems that, even temporarily, the Chinese economy has begun to slow down. The official Chinese manufacturing PMI fell to 50.5 after 51.3 in January, while Caixin's smaller company index fell from 51.5 to 50.9. The coming months will show whether this is just a temporary slowdown or whether we can expect a more serious slowdown. The forint approached last November's high in March, but by the end of the month closed where it started. The MNB fine-tuned its framework of the asset purchase program: they announced that the 50 per cent purchase limit on bonds' series had been abolished, while the weekly purchase volume would not change. They basically expanded the room for maneuvering in longer-term papers, having previously reached the earlier limits here. What is also worth mentioning is that the central bank is already expecting inflation of 4% or more for this year. The fund achieved a positive return in March. We are of the opinion that although the epidemic situation in the CEE region is now worse than the rest of Europe, it is better in terms of vaccination than in other countries, which is why we have a very positive view of this region. If we look at Hungary, the country's vaccination rate is one of the best in the world. We increased the equity weight from 15% in February to 30% in March, of which 2/3 is from the CEE region and 1/3 is focused on the reopening theme in Europe. During the month, the fund realized profits in Volkswagen and S Immo. Although commodity exposure was closed in March, we remain optimistic about this sector and waiting for a better entry point to reestablish some positions.

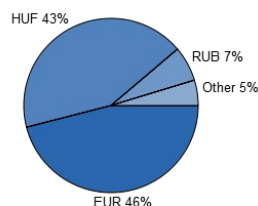
ASSET ALLOCATION OF THE FUND ON 03/31/2021

| Asset type | Weight |
|-------------------------------------------|----------|
| Government bonds | 26.04 % |
| Hungarian equities | 17.22 % |
| International equities | 11.22 % |
| Corporate bonds | 8.99 % |
| Collective securities | 8.69 % |
| T-bills | 7.37 % |
| Current account | 14.83 % |
| Receivables | 6.91 % |
| Liabilities | -0.32 % |
| Market value of open derivative positions | -0.95 % |
| total | 100.00 % |
| Derivative products | 52.83 % |
| Net corrected leverage | 104.96 % |

Assets with over 10% weight

There is no such instrument in the portfolio

Currency exposure:



INVESTMENT HORIZON:

Suggested minimum investment period:

| | | | | | | |
|-----------------------------------|-----------------------------------|--------------------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <input type="checkbox"/> 3 months | <input type="checkbox"/> 6 months | <input checked="" type="checkbox"/> 1 year | <input type="checkbox"/> 2 years | <input type="checkbox"/> 3 years | <input type="checkbox"/> 4 years | <input type="checkbox"/> 5 years |
|-----------------------------------|-----------------------------------|--------------------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|

Risk and Reward Profile:

| | | | | | | |
|-----------------------------------|------------------------------|----------------------------------------------|---------------------------------------|--------------------------------------|-------------------------------|------------------------------------|
| <input type="checkbox"/> very low | <input type="checkbox"/> low | <input checked="" type="checkbox"/> moderate | <input type="checkbox"/> intermediate | <input type="checkbox"/> significant | <input type="checkbox"/> high | <input type="checkbox"/> very high |
|-----------------------------------|------------------------------|----------------------------------------------|---------------------------------------|--------------------------------------|-------------------------------|------------------------------------|